

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION OF)
TIDEWATER UTILITIES, INC., TO MAKE A)
REVISION TO THE DELINQUENT BILL) PSC DOCKET NO. 03-466T
SECTION OF ITS TARIFF)
(FILED OCTOBER 27, 2003))

ORDER NO. 6340

This 13th day of January, 2004, the Commission determines and Orders the following:

1. On November 25, 2003, Tidewater Utilities, Inc. (Tidewater"), filed an amended application to revise certain terms and conditions in section 8.3 of its water service tariff related to: (a) the length of time before a tendered bill will be considered delinquent; (b) the length of time intervening after notice before termination; (c) the length of time prior to the imposition of a late fee; and (d) the percentage figure used to calculate the late fee. In the first three situations, the proposed tariff revisions extend the periods prior to delinquency, termination, and the assessment of a late fee. The final revision lowers the late payment fee percentage from 1.5% per month to 0.75% per month.

2. Staff has recommended that the Commission eventually approve such revisions. In light of that, the Commission will allow the proposed revisions to go into effect on February 1, 2004 on a temporary basis. The Commission will also direct publication of notice of these changes and allow a period of thirty (30) days for persons to file objections or comments concerning these revisions. If no such

comments or objections are filed, then the Commission will allow the proposed revisions to go into effect on a permanent basis without any further notice or hearing.

Now, therefore, **IT IS ORDERED:**

1. That the proposed revisions to the terms and conditions of section 8.3 of Tidewater Utilities, Inc.'s P.S.C. Del. No. 6 tariff as set forth in the amended application filed November 25, 2003, are hereby allowed to go into effect on February 1, 2004 on a temporary basis pending further Order of the Commission.

2. That Tidewater Utilities, Inc., shall publish notice of such proposed changes in the form set forth in Exhibit "A" attached hereto, in two column format, outlined in black, in the following newspapers on the designated dates:

Tuesday, January 20, 2004 (The News Journal)

Wednesday, January 21, 2004 (Delaware State News)

Tidewater Utilities, Inc., shall provide proof of such publication as soon as practicable after publication.

3. That any interested party or entity shall have the opportunity to file objections or comments contesting the proposed revisions on or before February 20, 2004. If no such comments or objections are filed, the Commission will, by further Order, allow the proposed revisions to go into effect on a permanent basis without any further notice or hearing. If an objection or comments are filed, the Commission, by subsequent Order, will direct the course of further proceedings in this matter.

4. That the costs of this proceeding will, under 26 Del. C. § 114(b), be assessed against Tidewater Utilities, Inc.

5. That the Commission reserves the jurisdiction and authority to enter such further Orders in this matter as may be deemed necessary or proper.

BY ORDER OF THE COMMISSION:

/s/ Arnetta McRae
Chair

/s/ Joshua M. Twilley
Vice Chair

/s/ Joann T. Conaway
Commissioner

/s/ Donald J. Puglisi
Commissioner

/s/ Jaymes B. Lester
Commissioner

ATTEST:

/s/ Karen J. Nickerson
Secretary

E X H I B I T "A"

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P U B L I C N O T I C E

**APPLICATION OF TIDEWATER UTILITIES, INC., FOR
CHANGES TO SEVERAL TERMS AND CONDITIONS
IN ITS WATER SERVICE TARIFF**

**TO: ALL CUSTOMERS OF TIDEWATER UTILITIES, INC.,
 AND OTHER INTERESTED PERSONS**

On October 27, 2003, Tidewater Utilities, Inc. ("Tidewater" or "the Company") filed an application with the Delaware Public Service Commission (the "Commission") seeking approval to change provisions to its water services related to service terms and conditions. The service changes are related to delinquency and late payments.

The proposed revisions relate to terms and conditions set forth in section 8.3 of Tidewater's current tariff. In summary form, the proposed changes would:

- (1) increase the period before a bill will be declared delinquent from 20 days to 25 days;
- (2) increase the period intervening between a late notice and any termination of service from 7 days to 10 days;
- (3) increase the period prior to the assessment of a late payment fee from 15 days to 30 days; and

- (4) decrease the late payment fee from 1.5% to 0.75% per month on all account balances.

In PSC Order No. 6340 (Jan. 13, 2004), the Commission allowed the proposed changes to go into effect on a temporary basis effective February 1, 2004.

The Commission now solicits objection or comments challenging the proposed revisions. If you wish to object to, or comment upon, the proposed revisions, you must file ten copies of such objections or comments with the Commission on or before February 20, 2004. You must also serve two copies of such objections or comments on Tidewater. A petition to intervene, under Rule 21 of the Commission's Rules of Practice and Procedure, must be filed and served with your objections or comments. The addresses for filing and service are:

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| DE Public Service Commission | A. Bruce O'Connor |
| 861 Silver Lake Boulevard | Tidewater Utilities, Inc. |
| Cannon Building | 1100 South Little Creek Road |
| Suite 100 | Dover, Delaware 19901 |
| Dover, Delaware 19904 | |

Attn: PSC Docket No. 03-466T

If no objections or comments are timely filed, the Commission will allow the revisions to go into effect on a permanent basis without any further notice or proceedings. If objections are filed, the Commission will determine the course of further proceedings by further Order.

You are invited to review the application and supporting documents to determine how your interest may be affected. You may review the documents during normal business hours in the Commission's Dover office at the address listed above. You may also review copies of the filing at the office of the Division of the Public Advocate

located at the Carvel State Office Building, 4th Floor, 820 North French Street, Wilmington, Delaware 19801. Please call (302) 577-5077 to arrange for a time to review the documents at that location.

If you have a disability and wish to participate in, or to review the materials in these proceedings, please contact the Commission to discuss any auxiliary aids or services that you might need to help you. You may contact the Commission in person, by writing, by telephone (including TRS and Text Telephone), by Internet e-mail, or other means. If you have questions about this matter, you can call the Commission at 1-800-282-8574 (toll-free in Delaware) or you may call (302) 739-4247 (voice) or (302) 739-4333 (text telephone). You may also send questions or request information by Internet e-mail addressed to william.schaffer@de.state.us.